PSC No: 19 - ElectricityLeaf No. 163.1Rochester Gas and Electric CorporationRevision: 2Initial Effective Date: December 31, 2004Superseding Revision: 1Issued under the authority of the PSC in Case 02-E-1282, issued and effective November 17, 2004.

SERVICE CLASSIFICATION NO.1 (Cont'd)

RESIDENTIAL SERVICE

SPECIAL PROVISIONS: (Cont'd)

4. <u>Residential Solar Electric Service Option</u>

Applicable to any Residential Customer (as defined by HEFPA) who operates solar generating equipment located and used at his or her primary, legal residence. Solar generating equipment is defined as a photovoltaic system, with a rated capacity of not more than 10 kilowatts, that is manufactured, installed and operated in accordance with applicable government and industry standards. Such system must be connected to the customer's electric system and operated in parallel with RG&E's transmission and distribution facilities. This service will be offered, on a first come, first serve basis and will be limited, in total, to the rated generating capacity equivalent to 1,305 kW, (one-tenth of one percent of RG&E's 1996 total electric demand), and is available only in non-network areas of RG&E's service territory. Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 2 MW or Less Connected in Parallel with Utility Distribution Systems. In addition, customers must operate in compliance with standards and requirements set forth in the New York State Standard Interconnection Requirements and Application Process for New Distributed Generators 2 MW or Less Connected in Parallel with Utility Distribution Systems, as posted on the NY PSC website at www.dps.state.ny.us/distgen.htm, and as set forth within the SIR Addendum to this tariff.

Usage under this provision will be measured through either a standard single energy meter or two separate meters (one to measure electricity provided to the customer from Corporate facilities and one to measure electricity generated by the customer-generator), at the customer's option. If the customer elects to use two separate meters, usage measured through each meter will be netted to determine the total amount of electricity provided by the Corporation to the customer-generator or from the customer-generator to the Corporation for each billing period.

In the event the amount of electricity supplied by the Corporation to the customer-generator during the billing period exceeds the amount produced by the customer-generator, the Corporation shall bill for such electricity supplied, at the rates provided in this service classification. In the event the amount of electricity produced by the customer-generator exceeds the amount supplied by the Corporation, the Corporation shall apply a kWh credit to the customer's next bill for such electricity produced.

At the end of the year, or annualized over the period that service is supplied under this provision, the value of any credit remaining on a customer's account for excess electricity produced by the customer-generator shall be paid to the customer at the Corporation's avoided cost for energy. Payment will occur in the form of a voucher which will be Issued under authority of Order of the Public Service Commission to the customer-generator, for use in offsetting any of the issuing utility's bills directed to that customer during the year following the date of the voucher.

Pursuant to the Standard Interconnection Requirements set forth within the SIR Addendum-SIR to this tariff, customers are responsible for providing all meter boxes and sockets. In the event that RG&E determines that it is necessary to install a dedicated transformer to protect the safety and adequacy of electric service provided to other customers, the customer-generator shall pay for the cost of installing the transformer up to a maximum amount of \$350.00. The Corporation will not charge any additional solar electric specific interconnection costs incurred by RG&E other than \$350.00 for a dedicated transformer, if necessary. Customers are responsible for any costs related to the installation of their solar generating equipment. Notwithstanding the provisions herein, Residential solar electric customers are responsible for meeting all otherwise applicable provisions and requirements of this tariff.

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